

SCHEDULES

SCHEDULE 1

LIFETIME ISAS: FURTHER PROVISION

PART 3

CHARGES ON SOME WITHDRAWALS FROM LIFETIME ISAS

Charge when non-exempt withdrawal made

- 8 (1) Except as provided by or under paragraph 7, this paragraph applies in relation to a withdrawal from a Lifetime ISA.
- (2) An amount, equal to the total of—
- (a) the specified percentage of so much of the withdrawal as is a withdrawal of sterling, and
 - (b) the specified percentage of the market value of the rest (if any) of the withdrawal,
- is to be paid (in sterling) to HMRC.
- (3) Where there is a plan manager of the Lifetime ISA at the time of the withdrawal—
- (a) that plan manager and the investor are jointly and severally liable to HMRC for the amount payable under sub-paragraph (2), and
 - (b) without prejudice to paragraph (a), that plan manager must deduct that amount from the withdrawal and pay the amount deducted to HMRC.
- (4) Otherwise, the investor is liable to HMRC for the amount payable under sub-paragraph (2).
- (5) In sub-paragraph (2) “specified” means specified by Treasury regulations.
- (6) In relation to a withdrawal specified under paragraph 7(4), sub-paragraph (3) has effect as if it provided as follows—
- “(3) Where, at the time an amount becomes payable under sub-paragraph (2) in the case of the withdrawal, there is a plan manager of the Lifetime ISA (“the original”) or any Lifetime ISA that in accordance with Treasury regulations is a successor to the original—
- (a) each such plan manager, and the investor, are jointly and severally liable to HMRC for the amount payable under sub-paragraph (2),
 - (b) the liability under paragraph (a) of a plan manager of a Lifetime ISA is limited to the amount or value of the investments from time to time held under that Lifetime ISA, and

Status: This is the original version (as it was originally enacted).

- (c) a plan manager of a Lifetime ISA may meet a liability under paragraph (a) by deducting an amount from that Lifetime ISA and paying the amount deducted to HMRC.”
- (7) Treasury regulations may make provision for the amount payable under sub-paragraph (2) in the case of a withdrawal to be calculated not as mentioned in that sub-paragraph but in accordance with the regulations.
- (8) A percentage specified under sub-paragraph (2), or provision made under sub-paragraph (7), may be such that the amount payable to HMRC under sub-paragraph (2) in the case of a withdrawal is greater than so much of the withdrawal as is attributable, directly or indirectly, to bonuses.